

BOARD OF GOVERNORS OF CONCORDIA UNIVERSITY

MINUTES OF THE MEETING OF THE OPEN SESSION OF THE BOARD OF
GOVERNORS HELD ON THURSDAY, MARCH 20, 1986
AT 2:10 P.M., H-769, SGW CAMPUS

ATTENDANCE: Present were: Mr. D. W. McNaughton. Chairman, Mr. M. J. Bourgault, C.M., Ms. S. Cappelli, Dr. C. Draimin, Mr. J. Roy Firth, Me A. Gervais, Prof. R. Greenberg, Dr. H. Habib, Dr. J. Hill, Mr. R. Hiscox, Dr. M. Jérôme-Forget, Mr. M. Judson, Dr. P. Kenniff. Dr. M. J. Kornblatt, Ms. Y. Lifshitz, Mr. L. Ian MacDonald, Prof. G. Martin, Ms. V. E. Monkman, Mr. J. J. Pepper, Mr. C. I. Taylor, Dr. F. R. Whyte, Rev. A. Graham, S.J., Secretary.

Guest: Ms. D. Vibrans.

Absent with apologies: Mr. R. Burns, Mr. Paul E. Martin, Mr. -W. E. McLaughlin, O.C., Mr. J. H. Smith, Mr. W. W. Stinson.

DOCUMENTS CONSIDERED AND ATTACHED TO THESE MINUTES

BG-86-3-D9	-	Motion - By-law Amendment & Empowerment of Senate.
BG-86-3-D10	-	Name Change - Department of Quantitative Methods.
BG-86-3-D11	-	Title of Prof. Emeritus.
BG-86-3-D12	-	Series "G" Bonds.

1.1 Mr. McNaughton occupied the chair.

1.2 The Agenda

- a) The Chairman asked and obtained permission to move No. 7 to follow No. 2 because Me Rochfort, the lawyer advising on the proposed resolution on Series "G" Bonds, had to leave the meeting as soon as possible.
- b) Under No.14, "other business", Mr. Hiscox asked to present a motion concerning the funding of the student newspapers.

With these changes, the Agenda was accepted by common consent.

1.3 It was moved and seconded (Habib, Gervais) and unanimously RESOLVED:

R86-36 *THAT the minutes of February 74, 1986, be approved.*

2. Business Arising from the Minutes.

2.1 Report of the Agreement reached as a result of the Design Students' Association's Appeal

Dr. Whyte reported that a final document has not yet been completed. Nevertheless, he feels that the matter is proceeding satisfactorily and promised a report concerning the final agreement for the next Board meeting.

7. Bond Issue, Series "G" Bonds

It was moved and seconded (Jérôme-Forget, Cappelli) and unanimously RESOLVED:

WHEREAS in virtue of the Trust Agreement (the "Principal Trust Agreement"), bearing formal date of May 3, 1976, granted by Concordia University (the "Corporation") in favour of Société Nationale de Fiducie (the "Trustee"), provisions were made for the creation and issue by the Corporation, under the Principal Trust Agreement, of Bonds of the Corporation (the "Bonds"), without limit as to the maximum aggregate principal amount at any one time outstanding, whereof the issue of five million dollars (\$5,000,000), principal amount, of 10.50% Series "A" Bonds (the "Series "A" Bonds"), dated May 3, 1976;

WHEREAS in virtue of a First Supplementary Trust Agreement, bearing formal date of May 15, 1978, granted by the Corporation in favour of the Trustee, provisions were made &A the creation and issue by the Corporation, under the Principal Trust Agreement and the First Supplementary Trust Agreement, of three million dollars (\$3,000,000), principal amount, of 9.50% - 10% Series "B" Bonds (the "Series "B" Bonds"), dated May 15, 1978;

WHEREAS in virtue of a Second Supplementary Trust Agreement, bearing formal date of October 26, 1981, granted by the Corporation in favour of the Trustee, provisions were made for the creation and issue by the Corporation, under the Principal Trust Agreement and the First and Second Supplementary Trust Agreements, of five million dollars (\$5,000,000), principal amount, of 78.50% Series "C" Bonds (the "Series "C" Bonds"), dated October 26, 1981; these Bonds have been reimbursed in whole;

WHEREAS in virtue of a Third Supplementary Trust Agreement, beating formal date of March 22, 1983, granted by the Corporation in favour of the Trustee, provisions were made for the creation and

issue by the Corporation under the Principal Trust Agreement and the First, Second and Third Supplementary Trust Agreement of five million dollars (\$5,000,000), principal amount, of 17.50% Series "D" Bonds (the "Series "D" Bonds"), dated March 22, 1983;

WHEREAS in virtue of a Fourth Supplementary Trust Agreement, bearing formal date of December 20, 1983, granted by the Corporation in favour of the Trustee, provisions were made for the creation and issue by the Corporation, under the Principal Trust Agreement and the First, Second, Third and Fourth Supplementary Trust Agreements, of ten million dollars (\$10,000,000), principal amount, of 13.25% Series "E" Bonds (the "Series "E" Bonds"), dated December 20, 1983;

WHEREAS in virtue of a Fifth Supplementary Trust Agreement, bearing formal date of March 21, 1985, granted by the Corporation in favour of the Trustee, provisions were made for the creation and issue by the Corporation under the Principal That Agreement and the First, Second, Third, Fourth and Fifth Supplementary Trust Agreements, of fifteen million dollars (\$15,000,000), principal amount, of 10.75% - 11% - 11.50% - 12.25% Series "F" Bonds (the "Series "F" Bonds"), dated March 27, 1985;

WHEREAS no other bonds have been issued under the terms of the Principal Trust Agreement and of the jive Supplementary Trust Agreements;

WHEREAS the Corporation intends to create and issue, under the terms of the Principal Trust Agreements and of the jive Supplementary Trust Agreements, nine million dollars (\$9,000,000), principal amount, of Additional Bonds, to be designated as "10.25% - 10.50% - 11% Series "G" Bonds" (the "Series "G" Bonds"), and to establish the terms and conditions thereof by a Supplementary Trust Agreement (the "Sixth Supplementary Trust Agreement");

ON MOTION DULY MADE AND SECONDED, IT WAS UNANIMOUSLY RESOLVED:

R86-37 THAT the creation and issue, pursuant to the provisions of the Principal Trust Agreement and of the five Supplementary Trust Agreement.6, of nine million dollars (\$9,000,000), principal amount, of Additional Bonds, to be designated as "10.25% - 70.50% - 17% Series "G" Bonds" (the "Series "G" Bonds"), dated March 26, 1986, be and is hereby authorized, the whole subject to the terms and conditions of the

draft of the Sixth Supplementary Trust Agreement referred to herein;

R86-38 *THAT* *the Series "G" Bonds shall be substantially in the forms set out in the First Schedule of the Sixth Supplementary Trust A Agreement; shall be dated as of March 26, 1986; shall not be redeemable prior to maturity at the sole option of the Corporation, but may nevertheless be purchased by it by mutual agreement; shall mature in the amounts and at the dates hereinafter mentioned; shall bear interest (as well after as before maturity, at the rates indicated below:*

<i>Maturity <u>Dates</u></i>	<i>Payments in <u>Principal</u></i>	<i>Interest <u>Rates</u></i>
<i>March 26, 1991</i>	<i>\$2,722,000</i>	<i>10.25%</i>
<i>March 26, 1996</i>	<i>\$1,203,000</i>	<i>10.50%</i>
<i>March 26, 2006</i>	<i>\$5,075,000</i>	<i>77%</i>

such interest to accrue, with regard to Coupon Series "G" Bonds, from March 26, 1986, and, with regard to Fully Registered Series "G" Bonds, from March 26, 1986, or from the date of registration thereof, if it be March 26 or September 26, and, otherwise, from March 26 or September 26 next preceding the date of registration thereof, payable semi-annually, on the twenty-sixth (26th) day of March and September in each year, the first interest payment date to be September 26, 1986, together with interest on all overdue interest at the same rate, computed semi-annually, from its due date until actual payment;

R86-39 *THAT* *the Series "G" Bonds shall be issued in the form of Coupon Bonds registrable to principal only, in denominations of \$1,000, \$5,000, \$25,000 and \$700,000, and in the form of Fully Registered Bonds, in denominations of multiples of \$1,000, but which must not be less than \$5,000;*

R86-40 *THAT* *Coupon Series "G" Bonds issued in denominations of \$5,000, \$25,000 and \$100,000 may be exchanged at any time, without charge, for an equal aggregate principal amount of Coupon Series "G" Bonds issued in the denomination of \$1,000 of the same maturity date; that Fully Registered Series "G" Bonds of any authorized denomination may be exchanged at any time, without charge, for an equal aggregate principal amount of Fully Registered Series "G" Bonds of any authorized denomination and of the same maturity date; that Fully Registered Series "G" Bonds of any authorized denomination may be*

exchanged at any time, without charge, for an equal aggregate principal amount of Coupon Series "G" Bonds issued in the denomination of \$1,000 of the same maturity date, subject to three (3) weeks' prior written notice from the holder to the Trustee; that, in every case of exchange, the Series "G" Bond or Series "G" Bonds and the coupons, if any, surrendered will be cancelled; that, except as aforesaid, no other exchange of Series "G" Bonds be permitted unless the consent of the Corporation has been obtained;

R86-41 *THAT* *the payment in principal and interest of the Series "G" Bonds be secured by the cession and the transfer to the Trustee, for the exclusive benefit of the holders of the Series "G" Bonds, of a subsidy in the amount of twenty-two million eight hundred and twenty-three thousand one hundred and seventy-five dollars (\$22,823,175) granted to the Corporation in virtue of an order-in-Council adopted for such purpose, and of all the rights of the Corporation deriving therefrom;*

R86-42 *THAT* *the draft of the Sixth Supplementary Trust Agreement, supplemental to the Principal Trust Agreement and to the five Supplementary Trust Agreements, bearing formal date of March 26, 1986, drafted for execution by the Corporation in favour of the Trustee, for the purpose of providing for the creation and issue of nine million dollars (\$9,000,000), principal amount, of Series "G" Bonds, and which has been submitted to this Meeting and examined by it, be and it is hereby approved and that an agreement in the form or substantially in the form of the Sixth Supplementary Trust Agreement, with such amendments and modifications as the Chancellor or a Vice-Rector or a member of the Board and the Rector and Vice-Chancellor or the Secretary or another member of the Board may deem expedient, as well as all other supplementary agreements to the said Sixth Supplementary Trust Agreement, to give effect to the latter, if necessary, be executed, for and in the name of the Corporation, by the Chancellor or a Vice-Rector or a member of the Board and the Rector and Vice-Chancellor or the Secretary or another member of the Board, and the Corporation's seal affixed thereto; and that the approval by the Chancellor or a Vice-Rector or a member of the Board and the Rector and Vice-Chancellor or the Secretary or another member of the Board of any amendment or modification of the Sixth Supplementary Trust Agreement be proved conclusively by their signature on the said Sixth Supplementary Trust Agreement;*

R86-43 *THAT* *the Chancellor or a Vice-Rector or a member of the Board and the Rector and Vice-Chancellor or the Secretary or another member of the*

Board be and they are hereby authorized and required, for and in the name of the Corporation, to sign, execute and deliver all other documents, instruments and writings or to take all such other steps and do all such other things as they may deem in their discretion necessary, desirable or useful for the purposes of giving effect to this resolution and to the Sixth Supplementary Trust Agreement;

R86-44 *THAT* *the net proceeds from the sale of the 10.25% - 10.50% - 11% Series "G" Bonds and the accrued interest, if any, be remitted to the Trustee to be invested, as the case may be, according to the provisions of Chapter 8 of the Principal Trust Agreement; such net proceeds with accrued interest, if any, and any interest from such investments by the Trustee must be used by the Corporation, for its benefit, upon remittance to the Trustee of a written requisition in each case of the Chancellor or a Vice-Rector or a member of the Board and the Rector and Vice-Chancellor or the Secretary or another member of the Board and also upon written authorization for each requisition of the ministre de l'Enseignement supérieur et de la Science or the sous-ministre or a member of the staff of the ministère de l'Enseignement supérieur et de la Science duly authorized for such purpose;*

R86-45 *THAT* *the draft of the Sixth Supplementary Trust Agreement contain the following provisions:*

"The Corporation hereby covenants that, so long as there are Series "G" Bonds outstanding:

- if, after the formal date of the present Supplementary Trust Agreement, it should secure any bond or obligation by mortgage or hypothec or other charge on one or another of its Capital Assets Serving Directly for Educational Purposes, it will give the benefit of the same security, equally and ratably, to the Series "G" Bonds and to all other Bonds, if any, issued and outstanding under the Principal Trust Agreement;*
- it will not issue bonds or any other securities (exclusive, however, of any notes or any other evidences of indebtedness in respect of bank loans in the ordinary course of business) if the issue thereof would result in the total amount of its outstanding bonds and other securities exceeding that of its Tangible Assets.*

The following words and expressions, when used in these presents,

will have the following meaning:

- *"Capital Assets Serving Directly for Educational Purposes" means all the immovable properties owned by the Corporation and appearing under the heading of fixed or capital assets on its balance sheet as drawn up by its auditors in accordance with generally accepted accounting principles, excluding immovable property used as parking lots or student residences, the social centre as well as any other immovable property of the Corporation used for similar purposes.*
- *"Tangible Assets" means the higher of the book value before depreciation of all the assets shown on the asset side of the balance sheet or of the market value of such assets (as determined in a manner satisfactory to the Trustee by a professional appraiser, an engineer, an architect or another person knowledgeable in the matter who may be a person in the employment of the Corporation and appointed by the Corporation with the approval of the Trustee) after deducting therefrom the amounts entered in the following asset accounts: goodwill, patents, copyrights and other intangible or incorporeal assets of an analogous or similar nature, as well as the unamortized balance of all expenses, commissions, premiums or discounts having to do with an issue of bonds or other securities of the Corporation.*

Notwithstanding the above-mentioned provisions, the Corporation will be entitled to pledge, give as security assign, cede and transfer, for the exclusive benefit of the holders of a particular series of bonds or debentures, any subsidy it may obtain from the gouvernement du Québec without having to comply with the foregoing provisions."

3. Presentation of the CIAU Champion Wrestling Team

Dr. Edmund Enos, Director of Athletics, introduced the wrestling team and its coach, Mr. Victor Zilberman. The members of the team are: Douglas Yates, Patrick Sullivan, Graham Dadswell, Sylvain Marcil, Serge Marcil, Michael Sullivan, Michael Enos, Sean O'Heany. Dr. Enos presented the trophy won by the wrestlers in Sackville, New Brunswick. Mr. McNaughton accepted the trophy in the name of the Board and thanked the athletes for their contribution to Concordia.

4. Department Change of Name

It was moved and seconded (Whyte, Draimin) and unanimously RESOLVED:

R86-46 *THAT as recommended by Senate, the name of "Department of Quantitative Methods" be changed to "Department of Decision Sciences & Management Information Systems".*

5. Fund Procurement Committee

Further information was required concerning the change of name of the Fund Procurement Committee. A report will be made at the next meeting.

6. Title of Prof. Emeritus

Dr. Whyte introduced BG-86-3-D11, with the explanation and resolutions contained in US-86-1-D11 and US-86-1-D7 and spoke briefly to the motion.

It was moved and seconded (Whyte, Lifshitz) and unanimously RESOLVED:

R86-47 *THAT the title of Professor Emeritus be established and be awarded by the Board of Governors to a retired member of Faculty according to the terms of eligibility, method of recommending nominations, and mutual commitment on the part of the University and the candidate as outlined in Senate document US-86-1-D7.*

8. Amendment to the By-laws

After fifteen (15) days due notice and on the recommendation of Senate, proposals were presented to amend the composition of Senate:

1. It was moved and seconded (Kenniff, Lifshitz) and unanimously RESOLVED:

THAT, referring to the By-laws of Concordia University, Section 12, Article 36 be amended to read:

Article 36: The Senate of the University shall be composed of thirty-seven (37) regular voting members, four (4) regular non-voting members and four (4) permanent observers, thus:

Regular Voting Members

R86-48 (a) *The Rector, who shall be Chair;*

- (b) *The Vice-Rector, Academic, who shall be Vice-Chair;*
- (c) *The Dean of the Faculty of Commerce & Administration*
- (d) *The Dean of the Faculty of Engineering & Computer Science;*
- (e) *The Dean of the Faculty of Fine Arts;*
- (f) *The Dean of the Faculty of Arts & Science;*
- (g) *The Dean of Graduate Studies;*
- (h) *Three (3) Professors from the Faculty of Commerce & Administration;*
- (i) *Three (3) Professors from the Faculty of Engineering & Computer Science;*
- (j) *Three (3) Professors from the Faculty of Fine Arts;*
- (k) *Nine (9) Professors from the Faculty of Arts & Science;*
- (l) *Ten (10) undergraduate students, with representation as nearly as possible divided among the Faculties proportional to the actual student enrolments in those Faculties according to the latest University statistics and with a minimum of one student from each Faculty;*
- (m) *Two (2) graduate students from different Faculties.*

Regular Non-Voting Members

- (n) *The Vice-Rector, Institutional Relations Finance;*
- (o) *The Vice-Rector, Services;*
- (p) *The Associate Vice-Rector, Academic (Curriculum & Planning);*
- (q) *The Associate Vice-Rector, Academic (Research).*

Permanent Observers

- (r) *The Director of Libraries;*
- (s) *The Director of the Computer Centre;*
- (t) *The University Registrar;*
- (u) *The Dean of Students.*

FACULTY APPOINTMENTS ARE FOR THREE-YEAR TERMS.

2. It was moved and seconded (Kenniff, Cappelli) and unanimously RESOLVED:

R86-49 *THAT, referring to Section 12 in the By-laws of Concordia University, Article 37 be deleted.*

3. It was moved and seconded (Kenniff, Greenberg) and unanimously RESOLVED:

R86-50 *THAT the date of coming into effect of these changes and all necessary transitional measures be determined by the Board on the recommendation of Senate at a later date.*

9. Revisions to the Powers of Senate and Membership and Functions of the Standing Committees of Senate

The Rector explained that the powers of Senate as well as the membership and functions of the Standing Committees of Senate were matters which had been approved by the Board but not included in the By-laws of Concordia University. These motions, therefore, are being presented separately from those in No. 8 above. They require a simple majority for adoption. It was moved and seconded (Kenniff, Draimin) and unanimously RESOLVED:

R86-51 *THAT the changes recommended by Senate at its meeting of February 21, 1986 as outlined in document US-86-1-D9 affecting the powers of Senate and in its document US-96-1-DIO affecting the membership and functions of the Standing Committees of Senate, be approved.*

10. A Notice of Motion proposing to make Senate the final authority for conferring academic degrees

Dr. Kenniff made it clear that honorary degrees are not Involved In the proposed motion. He introduced BG-86-3-D9 and presented it as a notice of motion concerning a By-law amendment and empowering Senate to grant those degrees outlined in the document.

12.2 Vice-Rector Jérôme-Forget noted two corrections to be made in her budget, namely: 1) In Appendix 1 the word "Academic" following the word "Faculties" should be deleted. 2) in Appendix 3 the last column on the page giving the % change 1979-80 to 1984-85 is given in current dollars not In constant dollars.

13. Correspondence

The Secretary reported that he had, on behalf of the Board of Governors, sent a plant to the Chancellor in hospital. Mr. McLaughlin had phone to thank the Board.

14. Other Business

Mr. Hiscox distributed a copy of a resolution concerning separate funding for the two student newspapers.

It was moved and seconded (Hiscox, Judson),

WHEREAS Concordia University students have, in a duly conducted referendum, approved

- 1) THAT the student newspapers, the Concordian and the Link should gain editorial and financial autonomy through being funded directly by students in the following manner; and
- 2) THAT the CUSA fee of \$1.80 per credit be split into three parts:

\$1.60 for CUSA
\$0.07 for the Concordian
\$0.13 for the Link

BE IT RESOLVED:

THAT the Board of Governors instruct the Treasury Department to establish two new accounts, one for the Concordian, one for the Link, and deposit the collected fees of \$0.07 and \$0.13 respectively

In these accounts effective fiscal 1986. The CUSA portion will continue to be deposited in the CUSA account.

Discussion concerned the problems which might arise 1) if the Board of Governors were asked to decide how to fund student newspapers and 2) if other relationships between the Board and individual groups were proposed in the future. It was suggested that the motion be tabled for further study.

It was moved and seconded (Kenniff, Cappelli) and unanimously RESOLVED:

R86-52 *THAT the motion on the floor be tabled, that it be referred to the Vice-Rector, Services for study and that it be brought back to the April meeting of the Board of Governors.*

16. The next meeting is Wednesday, April 23, 1986 at 12:00 noon, H-762.

17. The meeting terminated at 2:40 p.m.

Aloysius Graham, S.J.,
Secretary